

October 2, 2014

SOLE SOURCE PROCUREMENT

The City of Flagstaff Solid Waste Section has identified a routing logistics software product that will produce significant savings in both operational and capital costs.

The Solid Waste Section has been working with the City of Flagstaff's Purchasing Section and based on industry research, we have determined this to be a "Sole Source" purchase due to numerous factors as follows:

- WM logistics provides 5 different modules specific to solid waste collection vs. other companies who only have 2-3 standard modules. No other company had developed the system fully and relied on other logistics companies to provide different aspects. In other words, WM has everything needed, one vendor. All others have to be used in conjunction with a second vendor (and still didn't have everything we needed).
- WM Logistics is the only one with automated route logistics- in other words, theirs is a "one touch" intuitive system. The others had to be taught, and would then be able to accomplish some routing, but could not change it on the fly if needed.
- WM Logistics is the only company that did not need company specific, proprietary hardware in the trucks. We can purchase tablets for their system from any local store, such as Best Buy, Sam's, etc. for a nominal cost (around \$300.00) for the tablets.
- WM Logistics can utilize the cloud, with an Oracle data base which they maintain. This saves the City from having to purchase an additional server and to maintain and back up an operating system that IT is trying to phase out. This will save unnecessary labor hours as well on an already overburdened IT staff.

All things considered, we are recommending a "Sole Source" procurement under **Article 18 "Sole Source"** of the City's Procurement Code Manual as follows:

A contract may be awarded for a material, service or construction item without competition if the director determines in writing that there is only one source for the required material, service or construction item. The director may require the submission of cost or pricing data in connection with an award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. A written determination of the basis for the sole source procurement shall be included in the contract file.